

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In Re:</b>  <b>W.R. GRACE &amp; CO., et al.,</b>  <b>Debtors.</b>	<b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b>	<b>Chapter 11</b>  <b>Jointly Administered</b> <b>Case No. 01-01139 (JKF)</b>
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**FEE AUDITOR'S FINAL REPORT REGARDING  
FEE APPLICATION OF BILZIN SUMBERG BAENA PRICE & AXELROD LLP  
FOR THE TWENTY-EIGHTH INTERIM PERIOD**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Fee Application of Bilzin Sumberg Baena Price & Axelrod LLP for the Twenty-Eighth Interim Period (the "Application").

**BACKGROUND**

1. Bilzin Sumberg Baena Price & Axelrod LLP ("Bilzin") was retained as counsel to the Official Committee of Asbestos Property Damage Claimants. In the Application, Bilzin seeks approval of fees totaling \$166,431.50 and expenses totaling \$96,361.24 for its services from January 1, 2008 through March 31, 2008 (the "Application Period").

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2008, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330,

Issued January 30, 1996 (the "U.S. Trustee Guidelines"), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We served an initial report on Bilzin, and received a response from Bilzin, portions of which response are quoted herein.

### DISCUSSION

3. In our initial report, we noted the following lodging charges for which more information was needed:

01/16/08	851.58	Lodging Travel to Pittsburgh - ...; Matthew Kramer;... Date: 1/16/2008
01/23/08	567.72	Lodging Travel to Pittsburgh - ...; Matthew Kramer;... Date: 1/23/2008

In response to our inquiry, Bilzin provided the following information concerning these charges:

The Fee Auditor requests additional information regarding certain lodging charges. Set forth below is a table that identifies the aggregate room charge, the number of nights, taxes, telephone and other charges and the hotel name/location for each charge.

DATE	ROOM CHARGE	# of Nights	TAXES, TELEPHONE AND OTHER CHARGES	GUEST NAME	NAME OF HOTEL/LOCATION
1/16/08	\$747.00	3	\$104.58	Matthew I. Kramer	Westin Hotel/Pittsburgh
1/23/08	\$498.00	2	\$69.72	Matthew I. Kramer	Westin Hotel/Pittsburgh

It appears to us that one can usually obtain satisfactory lodging in Pittsburgh for \$300 per night, plus taxes. The charges in question did not exceed that rate, and, thus, we have no objection to these

expenses.

4. In our initial report, we noted the following air fare charges for which more information was needed:

1,353.00	Airfare Travel to Pittsburgh - ...; Date: 1/25/2008
1,397.89	Airfare Travel to Pittsburgh - ...; Date: 1/25/2008
1,282.50	Airfare Travel to Philadelphia; . . .; Scott L. Baena; . . .; Date: 2/25/2008

In response to our inquiry, Bilzin provided the following information concerning these charges:

C \$1,353.00, dated 1/25/08. Roundtrip ticket from Miami to Pittsburgh for Mr. Kramer for attendance at the PI estimation trial from January 13, 2008 through January 16, 2008. This fare was booked as refundable Coach from Miami to Pittsburgh (\$664.50) and a non-refundable "A" First Class fare (\$653.50) from Pittsburgh to Miami, plus a \$35.00 service charge.

C \$1,397.89, dated 1/25/08. Roundtrip ticket from Miami to Pittsburgh for Mr. Kramer for attendance at the PI estimation trial from January 21, 2008 through January 28, 2008. This fare was booked as a refundable Coach from Miami to Pittsburgh (\$549.30) and a non-refundable "A" First Class fare from Pittsburgh to Miami (\$813.50), plus a \$35.00 service charge. Bilzin Sumberg will agree to a reduction in the amount of \$264.20 for this fare.

C \$1,282.50, dated 2/25/08. Roundtrip ticket from Miami to Philadelphia for Mr. Baena. For this flight in question, the lowest cost refundable coach ticket was \$1,593.00. However, there was a special First-Class fare for \$1,247.50 available. Thus, the lower priced fare, plus a \$35.00 service charge, was chosen.

We appreciate Bilzin's response and recommend a reduction of \$264.20 in expenses.

5. In our initial report, we noted the following ground transportation charge for which more information was needed:

343.25	King Limousine and Transportation Service; . . .; Date: 2/29/2008 - Clients
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In response to our inquiry, Bilzin provided the following information concerning this charge:

- \$343.25, dated 2/29/08. Roundtrip transportation for Mr. Baena from Philadelphia Airport to the Bankruptcy Court in Wilmington. The round-trip charge was \$247.00, inclusive of taxes and gratuity, plus \$96.25 in charges for wait time due to the extended hearing time.


The bankruptcy court is approximately 25 miles from Philadelphia International Airport. The response does not indicate why it was necessary to take a car service in this instance. Round trip cab fare, including taxes, tip, and a two-hour wait time, would have cost less than \$200.00. Thus, we recommend a reduction of \$143.25 in expenses.

### **CONCLUSION**

6. Thus, we recommend approval of \$166,431.50 in fees and \$95,953.79 in expenses (\$96,361.24 minus \$407.45) for Bilzin's services for the Application Period.

Respectfully submitted,

**WARREN H. SMITH & ASSOCIATES, P.C.**

By:   
Warren H. Smith  
Texas State Bar No. 18757050

325 N. St. Paul Street  
Suite 1250  
Dallas, Texas 75201  
214-698-3868  
214-722-0081 (fax)  
whsmith@whsmithlaw.com

**FEE AUDITOR**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 21<sup>st</sup> day of August, 2008.

  
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Warren H. Smith

**SERVICE LIST**

**Applicant**

Scott L. Baena  
Jay M. Sakalo  
Matthew I. Kramer  
BILZIN SUMBERG BAENA PRICE &  
AXELROD LLP  
2500 Wachovia Financial Center  
200 South Biscayne Boulevard  
Miami, FL 33131-2385

**The Debtors**

David B. Siegel, Esq.  
Sr. V.P. and Gen. Counsel  
W.R. Grace & Co.  
7500 Grace Drive  
Columbia, MD 21044

**Counsel for the Debtors**

James H.M. Sprayregen, Esq.  
Kirkland & Ellis  
200 East Randolph Drive  
Chicago, IL 60601

Laura Davis Jones, Esq.  
Pachulski, Stang, Ziehl & Jones LLP  
919 North Market Street, 17<sup>th</sup> Floor  
P.O. Box 8705  
Wilmington, DE 19899-8705

**Counsel for the Official Committee of  
Unsecured Creditors**

Lewis Kruger, Esq  
Arlene Krieger  
Stroock & Stroock & Lavan  
180 Maiden Lane  
New York, NY 10038-4982

Michael R. Lastowski, Esq.  
Duane Morris & Heckscher  
1100 N. Market Street, Suite 1200  
Wilmington, De 19801-1246

**Counsel to the Official Committee of Property**

**Damage Claimants**

Michael B. Joseph, Esq.  
Ferry & Joseph, P.A.  
824 Market Street, Suite 904  
P.O. Box 1351  
Wilmington, DE 19899

**Counsel to the Official Committee of Personal  
Injury Claimants**

Elihu Inselbuch, Esq.  
Caplin & Drysdale  
375 Park Avenue, 35<sup>th</sup> Floor  
New York, NY 10152-3500

Marla R. Eskin  
Campbell & Levine, LLC  
Suite 300  
800 N. King Street  
Wilmington, DE 19801

**Official Committee of Equity Holders**

Gary M. Becker  
Kramer Levin Naftalis & Frankel  
1177 Avenue of the Americas  
New York, NY 10036

Teresa K.D. Currier, Esq.  
Buchanan Ingersoll & Rooney  
1000 West Street, Suite 1410  
Wilmington, DE 19801

**United States Trustee**

David Klauder  
Office of the United States Trustee  
844 King Street, Suite 2311  
Wilmington, DE 19801